

ORDER FOR SUPPLIES OR SERVICES										PAGE 1 OF 21		
1. CONTRACT PURCH ORDER/AGREEMENT NO. <div style="border: 1px solid black; padding: 2px;">DAAE07-01-G-N001</div>			2. DELIVERY ORDER/CALL NO. <div style="border: 1px solid black; padding: 2px;">0013</div>		3. DATE OF ORDER/CALL (YYYYMMDD) <div style="border: 1px solid black; padding: 2px;">2004SEP01</div>		4. REQUISITION/PURCH REQUEST NO. <div style="border: 1px solid black; padding: 2px;">SEE SCHEDULE</div>		5. PRIORITY <div style="border: 1px solid black; padding: 2px;">DXA4</div>			
6. ISSUED BY TACOM WARREN AMSTA-AQ-AHEB MADELINE MOWERY (586)753-2654 WARREN, MICHIGAN 48397-5000 EMAIL: MOWERYM@TACOM.ARMY.MIL HTTP://CONTRACTING.TACOM.ARMY.MIL			CODE <div style="border: 1px solid black; padding: 2px;">W56HZV</div>		7. ADMINISTERED BY (If other than 6) DCMA DETROIT U.S. ARMY TANK & AUTOMOTIVE COMMAND (TACOM) ATTN: DCMAE-GJD WARREN, MI 48397-5000 SCD: A PAS: NONE ADP PT: HQ0337			CODE <div style="border: 1px solid black; padding: 2px;">S2305A</div>		8. DELIVERY FOB <div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> DESTINATION <input checked="" type="checkbox"/> OTHER (See Schedule if other)</div>		
9. CONTRACTOR GENERAL DYNAMICS LAND SYSTEMS INC. 38500 MOUND ROAD STERLING HEIGHTS, MI. 48310-3260 NAME AND ADDRESS TYPE BUSINESS: Large Business Performing in U.S.			CODE <div style="border: 1px solid black; padding: 2px;">7W356</div>		FACILITY <div style="border: 1px solid black; padding: 2px;"></div>		10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) <div style="border: 1px solid black; padding: 2px;">SEE SCHEDULE</div>			11. X IF BUSINESS IS <div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED</div>		
14. SHIP TO <div style="border: 1px solid black; padding: 2px;">SEE SCHEDULE</div>			CODE <div style="border: 1px solid black; padding: 2px;"></div>		15. PAYMENT WILL BE MADE BY DFAS - COLUMBUS CENTER DFAS-CO/NORTH ENTITLEMENT OPERATION P.O. BOX 182266 COLUMBUS OH 43218-2266				CODE <div style="border: 1px solid black; padding: 2px;">HQ0337</div>		MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2	
16. TYPE OF ORDER		DELIVERY/ CALL <div style="border: 1px solid black; padding: 2px;"><input checked="" type="checkbox"/></div>		THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.								
PURCHASE				Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____.								
				furnish the following on terms specified herein.								
				ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.								
<div style="display: flex; justify-content: space-between;"> <div>NAME OF CONTRACTOR</div> <div>SIGNATURE</div> <div>TYPED NAME AND TITLE</div> <div>DATE SIGNED (YYYYMMDD)</div> </div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"><input checked="" type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:</div>												
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE <div style="border: 1px solid black; padding: 2px;">SEE SCHEDULE</div>												
18. ITEM NO.		19. SCHEDULE OF SUPPLIES/SERVICE			20. QUANTITY ORDERED/ ACCEPTED*		21. UNIT	22. UNIT PRICE		23. AMOUNT		
		SEE SCHEDULE CONTRACT TYPE: Firm-Fixed-Price KIND OF CONTRACT: Other Supply Contracts and Priced Orders										
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.				24. UNITED STATES OF AMERICA JOHN REGENHARDT /SIGNED/ REGENHAJ@TACOM.ARMY.MIL (586)574-6973 BY: _____ CONTRACTING/ORDERING OFFICER					25. TOTAL <div style="border: 1px solid black; padding: 2px;">\$22,425,965.00</div>			
27a. QUANTITY IN COLUMN 20 HAS BEEN <div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED</div>												
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE						c. DATE (YYYYMMDD)		d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE				
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE						28. SHIP. NO.		29. D.O. VOUCHER NO.		30. INITIALS		
f. TELEPHONE NUMBER		g. E-MAIL ADDRESS				<div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL</div>		32. PAID BY		33. AMOUNT VERIFIED CORRECT FOR		
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.						31. PAYMENT <div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL</div>				34. CHECK NUMBER		
a. DATE (YYYYMMDD)		b. SIGNATURE AND TITLE OF CERTIFYING OFFICER								35. BILL OF LADING NO.		
37. RECEIVED AT		38. RECEIVED BY (Print)		39. DATE RECEIVED (YYYYMMDD)		40. TOTAL CONTAINERS		41. S/R ACCOUNT NUMBER		42. S/R VOUCHER NO.		

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 2 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

SUPPLEMENTAL INFORMATION

1. This letter contract, based on the terms and conditions set forth herein, signifies the intention of the Department of the Army to execute a formal Firm Fixed Price contract with General Dynamics Land Systems (GDLS) for the Reset and Deprocessing of M1A2 SEP vehicles as set forth in this Delivery Order DAAE07-01-G-N001/0013.
2. The Contractor is directed in accordance with FAR 52.216-23 entitled Execution and Commencement of Work(April,1984)and a signature in Block 16 and 24 on Standard Form 1155 of this Delivery Order, to proceed immediately to commence performance of the work, and to pursue such work with all diligence to the end that the supplies may be delivered or the work performed within the time specified in Section F.
3. In accordance with FAR 15.406-2, the Contractor shall submit a certificate of Current Cost or Pricing Data upon agreement of contract price.
4. Your signature in Block 16 on the Standard Form 1155 of this Delivery Order DAAE07-01-G-N001/0013 indicates acceptance of the terms and conditions in this letter contract.
5. This letter contract is entered into pursuant to 10 U.S.C. 2304(c)(1) and any required justification and approval has been executed by the Government.
6. The contract funded amount and contract value are changed as follow:

Funded Amount:
Amount Added:
New Funded Amount:

\$
\$22,425,965.00
\$22,425,965.00

Contract Value:
Contract Value Added:
New Contract Value:

\$
\$29,901,288.00
\$29,901,288.00
7. All the FAR/DFARS/TACOM clauses identified in Modification P0007 to the Basic Ordering Agreement (BOA) DAAE07-01-G-N001 which are applicable to this Delivery Order 0013 shall be incorporated by reference.

*** END OF NARRATIVE A 001 ***

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT					
0001	SUPPLIES OR SERVICES AND PRICES/COSTS SECURITY CLASS: Unclassified IMPROVED SIDE ARMOR IAW C.5.2a (End of narrative B001)									
0001AA	<u>SERVICES LINE ITEM</u> CLIN CONTRACT TYPE: Firm-Fixed-Price NOUN: RESET ISA INSTALLATION PRON: 474SAM0247 PRON AMD: 03 ACRN: AA AMS CD: 31206406017 <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DLVR SCH PERFORM COMPL <table><tr><td><u>REL CD</u></td><td><u>QUANTITY</u></td><td><u>DATE</u></td></tr><tr><td>001</td><td>0</td><td>31-AUG-2005</td></tr></table> \$ 2,435,577.00	<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>	001	0	31-AUG-2005		EA	\$ 2,435,577.00
<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>								
001	0	31-AUG-2005								

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AB	<div>SERVICES LINE ITEM</div> <div>CLIN CONTRACT TYPE: Firm-Fixed-Price NOUN: RESET ISA INSTALLATION PRON: 473SAM0147 PRON AMD: 01 ACRN: AB AMS CD: 31206406019</div> <div>Inspection and Acceptance INSPECTION: Origin ACCEPTANCE: Origin</div> <div>Deliveries or Performance DLVR SCH PERFORM COMPL REL CD QUANTITY DATE 001 0 31-AUG-2005 \$ 500,000.00</div>		EA		\$ 500,000.00

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002	SECURITY CLASS: Unclassified RESET 111 Vehicles and Deprocess 113 Vehicles IAW Section C 				

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0003	<p><u>DATA ITEM</u></p> <p>SECURITY CLASS: Unclassified</p> <p>Data Items described in the Solicitation will be set forth in the Data Requirements List (DD Form 1423), Exhibit A.</p> <p>CDRL ITEMS ARE NOT SEPARATELY PRICED</p> <p>(End of narrative B001)</p>				NSP

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 8 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

B.1 SECURITY REQUIREMENTS

B.1.1 BOA DAAE07-01-G-N001 Security Classification Specification DD Form 254, Attachment 004 is applicable to performance under this delivery order.

B.2 DELIVERY ORDER DATA REQUIREMENTS

B.2.1 The cost for data requirements listed on DD 1423, Exhibit A, is included in the Delivery Order amount and is not separately priced.

The following Terms and Conditions specific to Section B of the Basic Ordering Agreement (DAAE07-01-G-N001) are incorporated by reference into this Delivery Order DAAE07-01-G-N001/0013: B-1,B.1, and B.8.

*** END OF NARRATIVE B 001 ***

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 9 of 21
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Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 Objective/Summary:

The outcome of this RESET contract is to accept 111 SEP tanks that meet Technical Manual (TM) 10/20 standards at JSMC. The work includes inspection, repairs only as necessary, semi and annual services and modifications to include armor upgrades. This contract includes deprocessing in C.12. Non-recurring expenses (NRE) will be provided by a separate facilities and/or STS contract. Material storage requirements will be provided by a facilities contract. All NRE must be fully funded by 15 September 2004 in order to support the delivery schedule.

C.2 General/ Compliance with Specifications.

C.2.1. The Government shall ship 111 vehicles to The Joint Systems Manufacturing Center at Lima (JSMC) using a Government Bill of Lading (GBL) in accordance with paragraph F.1. The contractor shall remove, package and ship vapor cycle system unit (VCSU) prior to vehicle shipment to Lima.

C.2.2. The contractor shall inspect and repair 111 4ID M1A2 SEP tanks to meet standards identified in TM -9-2350-388-10,-20, and the Lube Order (LO) and consistent with the 10/20 Checklist (Attachment 001).

C.2.3. The contractor shall modify the vehicles as specified in Section C of the work scope.

C.2.4. The contractor shall perform maintenance task and repairs as specified in section C.4 of this work scope.

C.2.5. Unless specified otherwise: the contractor shall (1) use Government and Contractor provided (C.8) parts and components to replace those on the vehicles that do not meet the TM standards and (2) provide qualified Direct Support Electronic Test Set (DSESTS) operator(s). Once DSESTS is established, the Contractor shall use DSESTS to screen LRUs for No Evidence Of Failures (NEOFs) and conduct LRU repairs at JSMC Lima, if possible, based on Contractor's determination. This contract does not cover the repair of individual tank components and parts except as required by this work scope.

C.2.6. The Contractor shall unload the last 43 vehicles as they arrive at JSMC Lima. The initial 68 vehicles vehicles were unloaded under an STS RESET contract.

C.2.7. The scope of this contract does not include the following:

a. Structural Damage - Damage to the hull or turret structure or damage to weldments that exceeds authorized 10/20 repair standards that affects the tank form, fit, and function.

b. Battle Damage - Damage to or perforation of the hull or turret structure that results in structural damage (see a. above)

c. Fire Damage - Fire damage that results in structural damage (see a. above)

C.3. Disassembly and Inspection.

C.3.1. Reserved

C.3.2. The contractor shall disassemble the tanks and their components to the extent necessary to inspect and repair the tanks to the TM and other standards in the Section C Scope of Work.

C.3.3. The contractor shall clean, remove (per 10-20), and store gun tubes for borescoping. Government personnel shall inspect and borescope the gun tubes in time to meet the production schedule. The Government shall provide gun tube racks under another contract. The Government shall insure the gun tubes have been cleared and contain safe levels of depleted uranium (DU) prior to the Contractor cleaning the gun tubes. If not, the Government team will be responsible for cleaning the gun tubes prior to borescoping. The Government shall be responsible for disposal of DU and other hazardous material used in this procedure.

C.3.4. The contractor shall conduct an engine Digital Electronic Control Unit (DECU) health check in accordance with TM 9-2350-388-10 prior to vehicle disassembly and shall provide the written results to Mr. James Bell (AMSTA-LC-CAA), bellj@tacom.army.mil. The Contractor shall annotate an N/A if the engine does not or should not be started. The contractor shall then remove, strip, split, and ship the engines and transmissions to ANAD using a Government Bill of Lading for refurbishment. The contractor shall store, re-use, and replace, as necessary, the hang-on parts that were stripped from the powerpacks.

C.4 Maintenance and Repair Tasks. The contractor shall do the following:

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 10 of 21
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Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

- C.4.1. Inspect and repair all vehicles to 10/20 TM Checklist (attachment 001) and Lube Order standards through the conduct of a full cycle Preventive Maintenance Checks and Services (PMCS), which shall include both annual and semiannual services. The contractor shall inspect and repair in accordance with the TM9-2350-388-20-1-5 any improper armor repairs that were made in the field.
- C.4.2. If the track is found to be serviceable, the contractor shall reverse the track and sprockets only when dictated by the sprocket wear inspection per TM 9-2350-388-20-1-4. If the track is unserviceable, the Contractor shall make minor repair or replace track based on the Contractor's determination.
- C.4.3. Leak test and repair as needed the 120mm gun mount in accordance with TM 9-2350-388-34-2-2, page 7-105.
- C.4.4. Check and correct the torque of the king nut and ensure the proper installation of the setscrews IAW TM 9-2350-388-34-2-2, page 7-89, steps 4 and 5.
- C.4.5. Check and correct the torque of the thrust nut, and ensure the proper installation of the setscrews IAW TM 9-2350-388-34-2-2, pages 7-9, steps 6,7, & 8.
- C.4.6. Check and correct the piston of the gun mount to make sure that it is properly seated against the breech ring IAW TM 9-2350-388-34-2-2, pages 7-8, step 6.
- C.4.7. Check and correct the anti-rotation key and alignment block for proper alignment with the breech ring.
- C.4.8. Inspect the turret race ring by traversing slowly 360 degrees in both directions listening for unusual noises and looking for any signs of binding. Also see C.4.11.
- C.4.9. Inspect and adjust the traversing gearbox struts, pivot pin, actuator, and installation of the safety wire for loose, missing, or damaged parts and replace as necessary in accordance with pages 5-43 of TM 9-2350-388-34-2-2, (gearbox struts), pages 5-18 of TM 9-2350-388-34-2-2 (pivot pin), and pages 5-10 of TM 9-2350-388-34-2-2 (actuator).
- C.4.10. Inspect and determine serviceability of the gun mounts, cradles, rotors, and trunnions using the gun shift test and repair as necessary IAW TM 9-2350-388-34-2-2.
- C.4.11. After turret removal, inspect, clean, and replace, as necessary the turret race rings IAW TM 9-2350-388-34-2-2.
- C.4.12. Drain and refill the main hydraulic system, gun-mount hydraulic system, and final drives.
- C.4.13. Repair wiring harnesses as needed IAW plant procedures SR-6001 and SR-6012.
- C.5 Vehicle Modifications. The contractor shall install the following into the vehicles:
- C.5.1 Vehicle Modifications CLIN 0001 (OMA Funded)
- a. Tank software Version 3.5.3. (GFM under STS)
 - b. Case-drain Quick Disconnect (GFM) Modification Work Order (MWO) kit.
 - c. POS/NAV MWO Kit (-18 Upgrade, GFM).
 - d. New PGW motor (CFM under SEP Delivery Order 3 & 6 settlement)
 - e. Drivers Night Viewer (DNV) Retention (CFM) MWO Kit.
 - f. Field Modification of Shield for Lubrication of Wire Race Ring IAW Technical Bulletin 43-0001-62-03-1, paragraph 9-9.b (GFM).
 - g. Ammunition door post MWO 9-2350-200-50-22 (GFM).
- C.5.2 Vehicle Modifications CLIN 0002 (PAA Funded)
- a. Improved Side Armor (GFM)
- C.6 Assembly, Prep/Paint, and Preparation for Shipment.
- C.6.1. The contractor shall re-assemble the vehicle and reassemble and re-install the powerpack.
- C.6.2. The contractor shall clean, prepare and prime the vehicles prior to repainting the exterior (Tan 686A, Color Chip No. 33446 of Fed-STD-595) and touching-up the interior paint. The contractor shall ensure that markings, stencils, and labels are present and legible.
- C.7 Reserved
- C.8 Material.

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 11 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

C.8.1. The Government shall provide all material for this scope of work to meet the production schedule, except for the following items to be provided by the Contractor:

- a. Expendable items such as oils, lubricants, fluids, sealants, adhesives, and paint.
- b. New PGW Motor, GDMY 2139C (CFM under SEP Delivery Order 3 & 6 settlement)
- c. Drivers Night Viewer Release Mechanism, GDLU 6239
- d. Markings, stencils and labels

C.8.2. If the Government is unable to provide certain material, the Contractor shall make its best effort on an exception basis to obtain this emergency material. The contractor does not guarantee that he can provide such material and is not liable for any delay resulting from the contractor's attempt to provide this material. See also paragraph H.5.

C.9 Government-Provided Material and Services.

C.9.1 The Government shall provide the following items in time to meet the production schedule:

- a. 111 each, SEP Tanks in as is condition. The Government shall take all reasonable steps to assure that the vehicles are environmentally safe (to include residual ammo)to work on. If the Contractor discovers that any tank is not environmentally safe, he shall notify the PCO and shall not proceed with work on that tank. The Parties will then negotiate to arrive at a mutually agreeable resolution to the safety issue.
- b. A baseline inspection report from the unit inducting the tank to JSMC. The report shall be sent to the GDLS Services Company and GDLS,Lima,OH, prior to the tank being shipped and shall identify any missing parts so they can be requisitioned in a timely manner.
- c. All modification hardware identified in paragraph C.5. as GFM.
- d. Overhauled engines and transmissions.
- e. One semi-annual and one annual service kit per vehicle.
- f. Gun record cards on each vehicle
- g. Government personnel shall inspect and borescope all gun tubes at JSMC.
- h. One DSESTS provided under STS Contract.
- i. 2 each SL/V SPORTS with Version 3.5.3. tank software
- j. All materials (other than the CFM listed in C.8.1) required for resetting and repairing the tanks. The priority rating for this program for ordering parts from the USG supply system shall remain priority 02.

C.9.2. As provided by the Government property clause in this contract, the Contractor may submit a defective Government material(DGM) claim to the ACO for any additional labor required for out-of-station work, rework or reinstallation of components due to defective/malfunctioning GFM to include the components in C.10.4.

C.10 Material Management.

C.10.1. In coordination with DCMA-JSMC, the contractor shall requisition, track requisitions, receive, store, and control all Government-furnished repair parts for these vehicles. The Contractor shall submit a Report of Discrepancy (ROD) for any requisitioned material. The contractor shall provide the Government access to or copies of whatever report or database that he uses to control and keep track of this inventory on a bi-weekly basis per CDRL A004.

C.10.2. The contractor shall ship reparable items using Government Bill of Lading to the appropriate repair facility in accordance with the applicable Routing Identification Code (RIC). The contractor shall provide a list of these items along with the date shipped and the destination of each item per CDRL A002 in contractor format. The Government will provide any special reuseable shipping containers if required for shipment.

C.10.3. The Contractor shall dispose of unserviceable and mandatorily replaced consumable items(non-RIC items)removed from the vehicles in accordance with his approved procedures; however, the Contractor shall credit the Government in accordance with paragraph 3.2.1.c of his Disclosure Statement any income derived from the disposition of this Government property. The Contractor shall prepare and package consumables items that require DEMIL. The Contractor shall prepare the shipping documentation to facilitate shipment of DEMIL items to the Defense Reutilization Management Office (DRMO) using a GBL.

C.10.4. Components may be moved between vehicles to maintain work flow and meet production schedules. However, the contractor shall make its best effort to insure that requisitions are placed in a timely manner to replace the missing components and to screen the components for suitability for intended purposes prior to installation.

C.10.5. The Government will be responsible for providing seed quantities of major parts as identified by the joint Government and contractor team and requisitioned under the STS contract.

C.10.6. Reserved

C.11. Reporting

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 12 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

C.11.1. Reserved

C.11.2. Parts Management: The Contractor shall participate in parts management meetings to be conducted weekly or whenever deemed necessary by the parties, so the IPT (Parts Management Team made up of both Government and contractor personnel) can focus its attention on problem areas in order to effectively accomplish the intensive parts management process. The location and format of these meetings will be jointly determined at a later date.

C.11.3. Schedule Reports: The contractor shall provide a status report against the contractors planned work schedule every two weeks in contractor format in accordance with CDRL A005.

C.12 Deprocessing

C.12.1 The contractor shall occupy and establish operations at the fielding site to receive tanks and begin the deprocessing of 113 tanks (111 in this contract and 2 from the STS pilot contract). The contractor shall be responsible for the off-loading of all tanks arriving at the fielding site in a timely manner so as to avoid demurrage charges. The contractor is responsible for the movement of the tanks from the site of receipt to the deprocessing site.

C.12.2. Final Inspection Prior to Issue. The contractor shall deprocess vehicles and make them ready for issue. A final Quality Assurance (QA) inspection shall be conducted by the contractor and witnessed by the Government within a week before issue of the vehicle to insure that the vehicle continues to meet the inspection criteria of the attached 10/20 Checklist (Attachment 001) and is able to be issued in that condition. All vehicle subsystems and communications shall be checked out and determined to be fully operational during deprocessing and final QA. The contractor shall support an S/IC3 Connectivity check to be performed by unit personnel on M1A2 SEP tanks to include an Upper Tier (Battalion to Company Commander level). The contractor shall clean all vehicles, both inside and out, prior to issue of the vehicle. No earlier than 30 days prior to issue, the contractor shall conduct borescope, recoil exercise, bore sight, and plumb and synchronization of the gun tube as well as Army Oil Analysis Program sampling. Documentation of these checks shall be recorded and maintained on DA Form 2408-4 (Weapons Record Data Card) and DA Form 2026 (Oil Analysis Request) in the vehicle equipment record folder which will be provided to the MFT. The basis of final Government acceptance of the vehicle via DD 250 shall include accomplishing all of the above tasks.

*** END OF NARRATIVE C 001 ***

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 13 of 21
	PIIN/SIIN	DAAE07-01-G-N001/0013 MOD/AMD	
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.			

PACKAGING AND MARKING

SECTION D

PRESERVATION/PACKAGING/MARKING

D.1. PRESERVATION/PACKAGING/PACKING

D.1.1. M1A2 SEP RESET VEHICLES. The Reset Vehicles shall be preserved and processed for shipment with drive-on/drive-off capability and as delineated in Abrams Systems Security Classification Guide dated 25 July 1997.

D.1.1.1. Batteries - Vehicles shall be shipped with all batteries installed and with all required hardware attached, but not connected to the battery posts.

D.1.2 Special Containers. No special reusable containers will be procured under this contract. Special containers used for the shipment and storage of GFM shall be promptly returned to the place of origin or location(s) specified by the ACO at Government expense.

All of the Terms and Conditions and contract clauses specific to Section D of the Basic Order Agreement (DAAE07-01-G-N001) are incorporated by reference into this Delivery Order with the exception of the following:

SPECIAL CONTAINERS FOR ABRAMS DERIVATIVE VEHICLE COMPONENTS (D.4 in Basic Ordering Agreement,DAAE07-01-G-N001).

*** END OF NARRATIVE D 001 ***

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 14 of 21
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Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

INSPECTION AND ACCEPTANCE

INSPECTION AND ACCEPTANCE

E.1 INSPECTION POINT: ORIGIN

Acceptance of M1A2 SEP reset vehicles to be made at the following location:

 The Joint Systems Manufacturing Center at Lima (JSMC)
 Lima, OH 45804

E.1.1. Acceptance of tanks at JSMC Lima shall be conditional until acceptance of the deprocessing at the deprocessing sites.

E.1.2. The contractor shall inspect the vehicles IAW TM Check List (Attachment 001). The Contractor shall also use this document to inspect the tanks after deprocessing at the fielding sites.

E.1.3. The contractor shall provide a TM 10/20 Checklist (Attachment 001), and a Certificate of Conformance (Attachment 002) for all modification, maintenance and repair tasks not listed on the TM 10/20 Checklist. The Government will sign the Certificate of Conformance. The Government will accept the vehicles by DD 250.

E.1.4. For acceptance, the Government plans to conduct in-process inspection and reserves the right to conduct testing in accordance with the TM 10/20 checklist prior to DD 250.

E.2 ACCEPTANCE POINT: ORIGIN

Acceptance of vehicles shall be at the origin address shown in E.1. address above.

E.2.1. Acceptance of deprocessing (which includes an inspection) shall be at the fielding sites.

E.4 All the Terms and Conditions and contract clauses specific to Section E of the Basic Order Agreement DAAE07-01-G-N001 are incorporated by reference into this Delivery Order.

*** END OF NARRATIVE E 001 ***

DELIVERIES OR PERFORMANCE

F.1 DELIVERY SCHEDULE FOR RESET VEHICLES

F.1. The Government will incrementally ship vehicles. RESET will be completed at JSMC; deprocessing will be completed at the fielding sites. The schedule is listed below:

<u>QTY</u>	<u>GFM TANKS</u>	<u>SHIP TO</u>	<u>SHIP BY</u>	<u>FIELDING DATE</u>
	<u>Rec'd @ JSMC</u>			
45*	30 Aug 04	Ft. Hood	01 Mar 05	30 Mar 05
23	30 Sep 04	Ft. Carson	01 Apr 05	30 Apr 05
30	30 Oct 04	Ft. Knox	01 Jun 05	30 Jun 05
15	17 Jan 04	Ft. Knox	01 Aug 05	30 Aug 05

* Includes 2 pilot vehicles

The schedule above assumes 14 days for transport of the vehicles to the fielding sites.

F.2. FOB Point. The completed vehicles will be shipped FOB JSMC-Lima. The Government will consider incrementally shipping vehicles. The Parties will discuss a mutually agreeable shipping schedule during definitization. Also during the definization period, the Parties agree to discuss a mutually agreeable schedule for the incremental acceptance of vehicles at fielding sites.

F.3. Government Bills of Lading and Other Routing Instructions

F.3.1. The contractor shall request (i) Government Bills of Lading and routing and other instruction, including Military Standard Transportation and Movement Procedure (MILSTAMP), as to the methods of shipment to be followed by the contractor or (ii) authorization to ship on Commercial Bills of Lading to be converted to Government Bills of Lading at destinations from Transportation Office, administering DCMDE-GJOB, ten days in advance of the date on which material is made ready for shipment. Appropriate forms for said requests will be furnished by by DSMDE-GJOB to the contractor. The contractor shall prepare and address said forms as directed by the Contracting Officer or his duly authorized representative.

F.4 Shipping Instructions

F.4.1. Shipping instructions for the delivery order end items will be provided by the Contracting Officer 60 days in advance of the shipping date. Revised, amended, or final shipping instructions will be provided to the contractor by the ACO no less than 10 days prior to the shipment date.

F.5 Preparation of the DD 250

F.5.1. DD Form 250 shall be completed by the contractor in accordance with instructions contained at clause 52.246-7000 of the Department of Defense Federal Acquisition Regulation.

F.6. All of the Terms and Conditions and contract clauses specific to Section F of the Basic Order Agreement (DAAE07-01-G-N001 are incorporated by reference into this Delivery Order.

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 16 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

CONTRACT ADMINISTRATION DATA

PRON/		OBLG		JOB		ACCOUNTING		OBLIGATED
LINE	AMS CD/			ORDER		STATION		AMOUNT
ITEM	MIPR	ACRN	STAT	ACCOUNTING CLASSIFICATION	NUMBER	STATION		
0001AA	474SAM0247	AA	1	21	42033000045R5R02P31206431E9	S20113	4GAAPM	W56HZV \$ 2,435,577.00
	31206406017							
	A14P30172R47							
0001AB	473SAM0147	AB	1	21	32033000035R5R02P31206431E9	S20113	3GAAPM	W56HZV \$ 500,000.00
	31206406019							
	A13P30192R47							
0002AA	EH4RS931EH	AC	1	21	42020000046D8030P12320725AB	S20113	4LUNRC	W56HZV \$ 19,490,388.00
	123207NC000							
	B14LUX123NMC							
							TOTAL	\$ 22,425,965.00
SERVICE		OBLG		JOB		ACCOUNTING		OBLIGATED
NAME				ORDER		STATION		AMOUNT
Army		AA	21	42033000045R5R02P31206431E9	S20113	W56HZV	\$	2,435,577.00
Army		AB	21	32033000035R5R02P31206431E9	S20113	W56HZV	\$	500,000.00
Army		AC	21	42020000046D8030P12320725AB	S20113	W56HZV	\$	19,490,388.00
							TOTAL	\$ 22,425,965.00

SECTION G

CONTRACT ADMINISTRATION DATA

G.1. ADMINISTRATION TACOM (APR 1985)

a. Procuring Contracting Officer (PCO). Pursuant to Paragraph 42.202(b) of the Federal Acquisition Regulation, the PCO has retained performance of the contract administration functions set forth in FAR Paragraphs 42.302(b)(4), (7) through (11) and 42.302(c) and all other approval and directional functions set forth in Sections C through I of this Contract.

b. Administrative Contracting Officer (ACO). The administration of this Contract shall be performed by an ACO designated by the cognizant administration office. The administration of this Contract shall be performed in accordance with Paragraph 42.302(a) of the Federal Acquisition Regulation, and 42.302(b) (1) through (3), (5) and (6), except for changes in the scope of the Contract, which will be made only by the PCO.

G.2. RELEASE OF INFORMATION TACOM (APR 1991)

The contractor shall comply with the requirements of Chapter 9 of AR 360-5 dated 31 May 89, Release of Information by Manufacturers, Research Organizations, Educational Institutions Holding Army Contracts, and Other Commercial Entities prior to contemplated release of any procurement information. Approval of the Contracting Officer is required prior to release of any such information. A copy of AR 360-5 may be obtained from web address, <http://contracting.tacom.army.mil>.

G.5. BOA CLAUSES INCORPORATED BY REFERENCES

G.5.1. General clauses in the BOA DAAE07-01-G-N001 as of Modification P0007 are applicable to this Delivery Order DAAE07-01-G-N001/0010.

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 17 of 21
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Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

SPECIAL CONTRACT REQUIREMENTS

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
1	52.232-16	PROGRESS PAYMENTS	APR/2003
2	252.232-7004	DOD PROGRESS PAYMENT RATES	OCT/2001

SPECIAL PROVISIONS

H.1. DEMILITARIZATION OF ITEMS

H.1.1. The Government shall provide demilitarization instructions as required.

H.2. SMALL, SMALL DISADVANTAGED, AND WOMEN-OWNED BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) 252.219-7003 (APR 1996)

H.2.1. In furtherance of the Government's policy of promoting the development of small disadvantaged business enterprises, the contractor agrees to award subcontracts to such enterprises, as they are defined in the referenced clause to the maximum practicable extent consistent with efficient contract performance.

H.2.2. The Contractor's Small Business Subcontracting Plan, Q0367, 30 July 2004, is incorporated into the Contract by reference.

H.3. CONTRACT - ORDER OF PRECEDENCE

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order:

- (a) the Schedule (excluding the specifications);
- (b) representations and other instructions;
- (c) contract clauses;
- (d) other documents, exhibits, and attachments; and
- (e) the specifications.

H.4 GOVERNMENT FURNISHED MATERIAL (GFM)

H.4.1. If the vehicles at JSMC LIMA or the deprocessed vehicles at the deprocessing sites are otherwise ready for acceptance except for late, defective, or missing GFM, the Contractor may, at his discretion, elect conditional acceptance of vehicles. Any such conditional acceptance will require the withholding of a mutually agreed-to estimate of the price not incurred because of the late, defective, or missing GFM. The Contractor shall not separately pursue any claim for equitable adjustment of \$2,000.00 or less per vehicle relating to the late, defective, or missing GFM related to such conditional acceptance of the vehicle. The Contractor waives any equitable adjustment for new GFM supplied by General Dynamic Land Systems under a separate contract within 18 months prior to the date of requisition.

H.4.2. Requisitioned material shall remain in a priority 02 status until the requisition is filled or cancelled due to excessive lead-time or obsolescence. Since the contract uses almost all GFM, the following procedures shall be used to ensure material is available to the Contractor to meet the production, delivery and deprocessing schedules:

- a. GDLS Customer and Support Services Company drops a requisition into the Government supply system using a priority 02 when a part is discovered missing or malfunctioning.
- b. If delivery will not satisfy production schedule requirements, the Contractor is authorized to move components between vehicles per paragraph C.10.4.
- c. If the part is still unavailable using paragraph b above, the Contractor shall inform the PCO of the part deficiency (emergency material) so that the Government can obtain the part from other sources. The PCO may ask the Contractor to see if they can get the part as per H.5, Emergency Material. The Contractor shall notify the PCO via e-mail whether he can obtain the part as emergency material.
- d. Should the Government be unable to provide the part within 14 days after the Contractor has notified the Government of the unavailability of the part as emergency material, the Government agrees to allow Contractor to sell the vehicle in accordance with H.4.1.

H.5 EMERGENCY MATERIAL

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 18 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

H.5.1. Paragraph C.8.2 requires the contractor to provide on a best-efforts basis material for this RESET work that the Government is not able to obtain from the Government's supply system. The not-to-exceed ceiling price of CLIN 0002 includes \$1,000,000 (unloaded) for this type of material.

H.5.2. The contractor is not authorized to incur costs for this type of material until he receives specific, written direction from the Contracting Officer to procure such material. The written direction will authorize specific parts and quantities.

H.5.3. Should the amount of emergency material required be greater or less than the original \$1,000,000 estimate, the not-to-exceed definitization amount or the firm fixed price if the contract has been definitized, shall be equitably adjusted.

H.5.4. H.5.3 notwithstanding, the contractor is not authorized to incur nor is the Government required to reimburse costs for such material in excess of \$1,000,000 until the Contracting Officer increases this amount by contract modification.

H.6. Reserved

H.7. Reserved

H.8 LIMITATION OF GOVERNMENT LIABILITY

H.8.1. Pursuant to FAR 52.216-24 (APR 1984):

H.8.2. In performing CLIN 0001, the contractor is not authorized to make expenditures or incur obligations exceeding \$2,935,577.00. The maximum amount for which the Government shall be liable if CLIN 0001 is terminated is \$2,935,577.00.

H.8.3. In performing CLIN 0002, the contractor is not authorized to make expenditures or incur obligations exceeding \$19,490,388.00. The maximum amount for which the the Government shall be liable if CLIN 0002 is terminated is \$19,490,388.00.

H.9 CONTRACT DEFINITIZATION (October 1998) DFAR 252.217-7027

H.9.1. A definitive firm fixed price is contemplated for the RESET of M1A2 SEP tanks described in the schedule under CLINS 0001 and 0002. The contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive price for CLINS 0001 and 0002 in the Schedule and the terms of a definitive contract to include 1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the definitive contract, 2) all clauses required by law on the date of execution of the definitive contract, and 3) any other mutually agreeable clauses, terms, and conditions. The contractor agrees to submit a firm fixed price proposal and cost or pricing data supporting its proposal for each CLIN in the Schedule.

H.9.2. The schedule for definitizing the unpriced CLINs in the schedule of the Contract is:

Submission of a Qualifying Proposal:	12 August 2004
Completion of Negotiations:	17 September 2004
Contract Award:	24 September 2004

H.9.3. If agreement on a definitive contract to supersede this letter contract is not reached by the target date in paragraph H.9.2 of this section, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with Subpart 15.4 and Part 31 of the FAR, subject to Contractor appeal as provided in the Disputes clause. In any event, the Contractor shall proceed with completion of the contract, subject only to the Limitation of Government Liability clause.

H.9.3.1. After the Contracting Officer's determination of price or fee, the contract shall be governed by --

(i) All clauses required by the FAR on the date of execution of this letter contract for firm fixed price contracts, as determined by the Contracting Officer under this paragraph H.9.3;

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

H.9.3.2 To the extent consistent with subparagraph H.9.3.1 of this section, all clauses, terms, and conditions included in this letter contract shall continue in effect, except those that by their nature apply only to a letter contract.

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-01-G-N001/0013 MOD/AMD	Page 19 of 21
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

H.10 CEILING PRICES

H.10.1. The parties agree that the definitized price of each CLIN shall not exceed:

CLIN 0001	\$ 3,914,103.00
CLIN 0002	\$ 25,987,185.00

H.11 TAXES: The Contractor is responsible for all applicable Federal, State, and local taxes and duties.

The Terms and Conditions and contract clauses specific to Section H of the Basic Order Agreement(DAAE07-01-G-N001) are incorporated by reference into this Delivery Order DAAE07-01-G-N001/0013.

*** END OF NARRATIVE H 005 ***

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 20 of 21
	PIIN/SIIN	DAAE07-01-G-N001/0013 MOD/AMD	

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

CONTRACT CLAUSES

	Regulatory Cite	Title	Date
1	52.204-2	SECURITY REQUIREMENTS	AUG/1996
The terms and conditions and contract clauses specific to Section I of the Basice Ordering Agreement, (DAAE07-01-G-N001) are incorporated by reference into this Delivery Order DAAE07-01-G-N001/0013.			

*** END OF NARRATIVE I 001 ***

LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Exhibit A	CONTRACT DATA REQUIREMENTS LIST	01-SEP-2004	002	EMAIL
Attachment 001	10/20 CHECKLIST	01-SEP-2004	085	EMAIL
Attachment 002	CERTIFICATE OF CONFORMANCE	01-SEP-2004	001	EMAIL

SECTION J

LIST OF SECTIONS

<u>SECTION</u>	<u>TITLE</u>
B	SUPPLIES/SERVICES & PRICES
C	DESCRIPTION/SPECIFICATIONS
D	PRESERVATION/PACKAGING/PACKING
E	INSPECTION & ACCEPTANCE
F	DELIVERIES OR PERFORMANCE
H	SPECIAL PROVISIONS
I	GENERAL PROVISIONS (SEE BOA DAAE07-01-G-N001)
J	LIST OF SECTIONS, EXHIBITS AND ATTACHMENTS

*** END OF NARRATIVE J 001 ***